



MEETING OF SEPTEMBER 5, 2023

TO: Mayor Jordan and City Council
THRU: Susan Norton, Chief of Staff
FROM: Jared Rabren, Airport Director
DATE:
SUBJECT: **FYV Fuel Farm Rehabilitation – Construction Contract, Project Contingency and Approval of a Budget Adjustment**

RECOMMENDATION:

Staff requests approval for the Aviation Division to execute a construction contract in the amount of \$274,398.97 with SPATCO Energy Solutions, LLC of Raleigh North Carolina for the proposed Fuel Farm Rehabilitation project at Fayetteville – Drake Field Airport. Staff requests approval of a budget adjustment in the amount of \$38,839.00, and approval of a project contingency in the amount of \$31,939.90.

BACKGROUND:

The fuel farm for the airport continues to have multiple failures that hinder the ability for the airport to extract fuel, which in turn causes availability issues for the flying community. The age of the equipment presents an issue when attempting to purchase replacement parts, limiting the opportunity of service providers to perform maintenance. In addition, new NFPA 407 updates mandate additional over-fill protection devices be installed, which are also planned with the recommended improvements.

The Airport entered into an agreement with Garver, LLC to provide design and bidding services for the project (Task Order 04). This project was initially bid in March 2022; however, the sole bid exceeded the engineers' estimate and was not awarded. The project was rebid in October 2022, but the sole bid received was deemed non-responsive. The project was rebid a second time and construction bids were received on August 1, 2023.

DISCUSSION:

The Aviation Division is requesting permission to execute a construction contract with SPATCO Energy Solutions to perform construction of the Fuel Farm Rehabilitation. Project funding will be a combination of an Arkansas Department of Aeronautics (ADA) grant and city funds.

A complete breakdown of the expected project funding is included below.

Engineering Services*:	\$45,000.00	ADA:	\$250,000.00
Construction Contract (SPATCO Energy Solutions):	\$274,398.97	City:	\$69,398.97
TOTAL:	\$319,398.97	TOTAL:	\$319,398.97

*Garver Task Order 04 and a budget adjustment accepting \$250,000 in State Grant funds previously approved by the City on 12/21/21, Resolution 335-21.

BUDGET/STAFF IMPACT:

This account currently has \$267,500.00. The Aviation Division may expend up to \$38,839.00 of its fund

Mailing address:

113 W. Mountain Street
Fayetteville, AR 72701

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balance to cover the remainder of the City's grant match, and a 10% project contingency of the approved project budget, or \$31,939.90.

ATTACHMENTS: Fuel Farm Rehab SRF, 2023-1018 BA Airport Fuel Farm, Bid 23-32 Bid Tab - Final, FYV Fuel Farm Contract and Proposal, 335-21 RESOLUTION

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